



# COMMUNITY CHOICE AGGREGATION

Select Board Presentation  
Michael Lindstrom  
December 16, 2019

# 2019-2020 GOALS AND OBJECTIVES

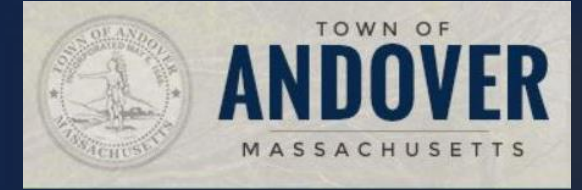
## ENERGY & SUSTAINABILITY



***Continue to adhere to and expand upon the principles of being a Green Community, including investment in fuel efficient vehicles and alternative energy sources and identify dedicated resources within the FY 2020 budget to support these efforts***

- Identify a dedicated funding resource to advance Town wide Sustainability goals, including personnel changes and/or the execution of contract(s) for professional services, which shall be funded within the FY 2020 approved budget, while not increasing the number of full time, benefited employees and seeking available private and public grants and regional opportunities.
- Identify a Sustainability Coordinator to develop a climate and sustainability action plan to address climate impacts, disaster preparedness, and sustainability for town and residents
- Work with Andover Green Advisory Board to evaluate Community Choice Aggregation options
- Explore opportunities to invest in Climate Resiliency through the Municipal Vulnerability Preparedness (MVP) grant program and submit application for funding to support recommendations of the plan
- Develop a plan and scope for a Street Tree program including establishing a budget that plans for the removal of hazardous trees and the replanting of trees that are appropriate for their surroundings and environment

# COMMUNITY CHOICE AGGREGATION



- Community Choice Aggregation (CCA) is a state-regulated program that addresses a growing demand by Massachusetts electricity consumers to purchase renewable energy at competitive prices.
- Also known as *Municipal Aggregation*, the program authorizes a municipality to negotiate prices and terms with competing electricity suppliers on behalf of the community. Over one hundred Massachusetts towns and cities already participate in this program today.
- Through CCA, Andover would be able to purchase energy with a higher renewable content than required by the Massachusetts Renewable Portfolio Standard, in keeping with the town's values as a designated Massachusetts Green Community.
- The program would give consumers greater control over the price and content of their electricity supply by offering one or more alternatives to National Grid *Basic Service*. It would also allow customers to resume National Grid Basic Service at any time, with no penalty or fee. For all customers, National Grid would continue to be the distributor and billing agent.

# ANDOVER COMMUNITY CHOICE AGGREGATION



Why bring Community Choice Aggregation to Andover?

## Rate Stability

*Utilities are restricted in how they procure Basic Supply Service which leads to pricing spikes, often in the winter. Aggregations typically contract for 1 to 3 years at a fixed rate providing predictability and stability for budgeting.*

## Local Renewable

*Program allows Andover to purchase energy with a higher renewable content than required. Local renewable energy leads to job creation as well as overall sustainability locally. Not all clean energy is created equal.*

## Potential Savings

*Aggregation allows for securing competitive pricing through bulk purchasing to time the Town's bid to avoid bad markets and lock in good prices. Although not guaranteed, residents typically see savings over the life of the contract. Focus needs to be on long term savings.*

# COMMUNITY CHOICE AGGREGATION TIMELINE



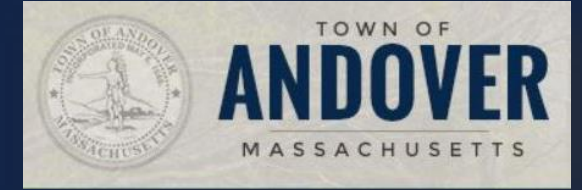
TOWN OF  
**ANDOVER**  
MASSACHUSETTS



# COMMUNITY CHOICE AGGREGATION TIMELINE

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# IMPLEMENTATION STEPS



Massachusetts General Law, M.G.L. c. 164 sec. 134, outlines CCA rules. Implementation requires the following steps:

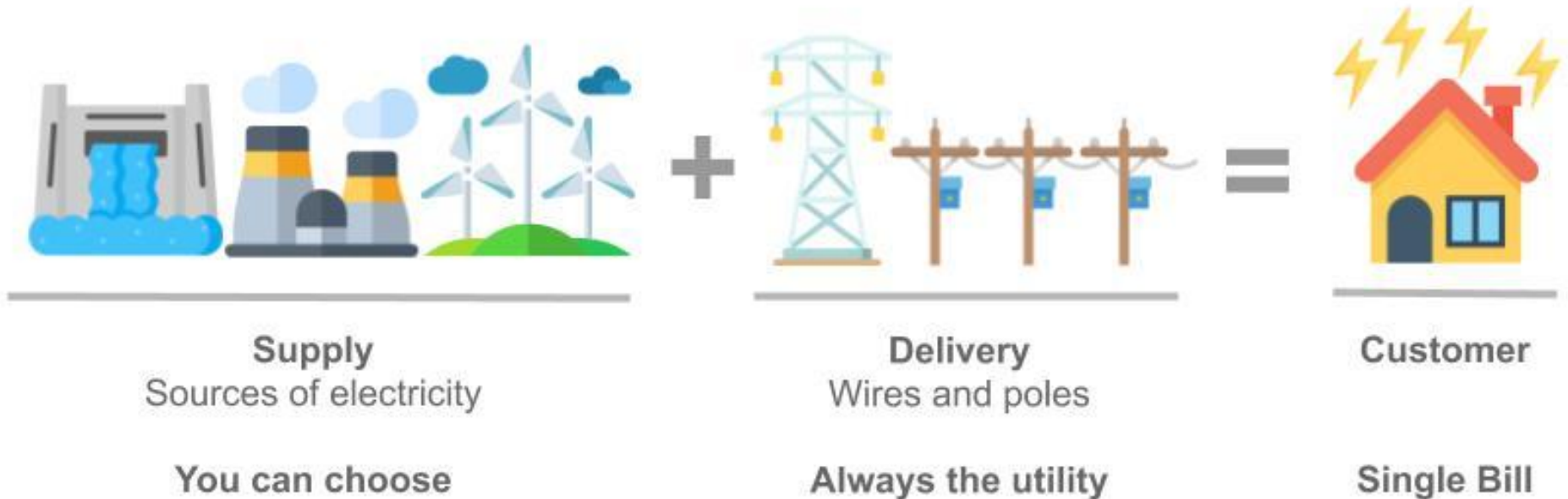
- Vote at Town Meeting to authorize the town to initiate the program
- Create a design team that works with Good Energy to develop rate options
- Plan the program in consultation with MA Department of Energy Resources
- Make the plan available for review by citizens
- Approval of the plan by the Select Board
- Submit the plan to MA Department of Public Utilities for final approval

# Town of Andover



**Community Choice Aggregation  
December 16, 2019**

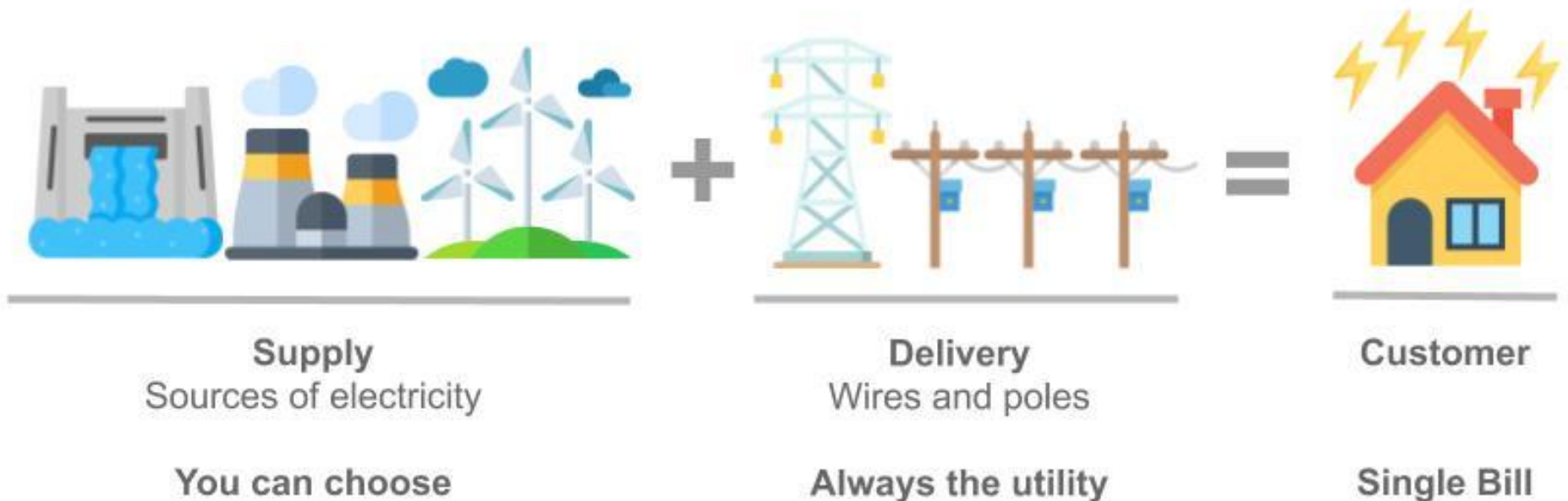
# Electricity Choice



By default, National Grid provides supply, called Basic Service....



# Electricity Choice



... with aggregation, a city or town uses a competitive bid to select a new supplier on behalf of all its residents and businesses currently receiving Basic Service supply

# Community Choice Aggregation

## Secure Competitive Pricing

Utilities bid Basic Service supply on a mostly fixed schedule. CCA's can choose when to bid, providing the opportunity to avoid bad markets and lock in good prices. Your size also provides substantial buying power.

## Ensure Price Stability

Basic Service prices change every 6 months. Aggregations typically contract for 1 to 3 years at a fixed rate. Especially valuable for fixed-income populations.

**Are savings guaranteed?** Savings compared to Basic Service cannot be guaranteed. Basic Service prices are only known 6 months in advance for Residential & Small Businesses and 3 months for Large Businesses.

# Community Choice Aggregation

## **Expand Consumer Choice**

The CCA will have a default rate but can also offer optional rates, typically with more or less renewable energy.

## **Use & Build Renewable Energy**

Use your buying power to help build new, local resources by including more renewable energy in your electricity than state minimum requirements.

## **Safe Alternative to Unscrupulous Offers**

Contract terms designed to protect the consumer.

E.g. no penalty to leave at any time, fixed price for entire terms, and transparent messaging at all times.

# Community Choice Aggregation

- Automatic enrollment of all customers on Basic Service supply
- Opt-out before program begins or anytime during, without penalty. Extensive education and outreach done to facilitate opt-out.
- National Grid continues to handle billing and maintenance (e.g. power outages)
- Does not affect net metering or any low-income discount rates

# Implementation Steps

1. Pass Article at Town Meeting
2. Develop draft aggregation plan and solicit public input  
  
Typically includes “design team” and ad hoc meetings with stakeholders
3. BOS approves aggregation plan
4. Good Energy files aggregation plan with DOER
5. DOER consultation letter received, plan submitted to DPU
7. DPU issues Order approving aggregation plan
8. RFP for competitive supplier issued
9. Bid awarded to winning supplier
7. Public education and opt-out campaign for eligible residents and businesses
8. Accounts enrolled on meter read, power flows at new rate with additional local renewable energy

# Pioneers for Green Aggregation

**Green aggregation** - Using the **default rate** of the CCA to support new renewable energy

**2016** Good Energy and Green Energy Consumers launched first green aggregations: Melrose & Dedham

**2016-2018** 3-year partnership between Good Energy & Metropolitan Area Planning Council to scale green aggregation



# Green Energy Consumers Alliance

**Bringing Projects to Life**

Enters into long term contracts that help new facilities get built



# Green Energy Consumers Alliance

## Supporting Cleanest Sources

- Only zero-emission or methane-destroying resources

## Keeping Your Impact Local

- Majority of voluntary renewable energy from MA & RI
- None from outside New England





# Good Energy Procurement Track Record

- Saved ALL our aggregations money to date
- Over \$50,000,000 saved for our MA Communities
- Strategic patience

# Residential Savings Analysis for Currently Active Aggregations

|                                       |    | 2016-(Program Launch Jan. 2016) |            | 2017         |            | 2018          |            | 2019 (Through known rates in 2019) |            | Total Loss/Savings |
|---------------------------------------|----|---------------------------------|------------|--------------|------------|---------------|------------|------------------------------------|------------|--------------------|
|                                       |    | Savings/Loss                    | Percentage | Savings/Loss | Percentage | Savings/Loss  | Percentage | Savings/Loss                       | Percentage |                    |
| Acushnet                              | ES | \$ (27,611)                     | -1%        | \$ 220,659   | 10%        | \$ 381,920    | 15%        | \$ 300,428                         | 24%        | \$ 875,396         |
| Attleboro                             | NG | \$ 241,262                      | 3%         | \$ 508,302   | 6%         | \$ 1,485,905  | 14%        | \$ 912,426                         | 24%        | \$ 3,147,895       |
| Carver                                | ES | \$ (32,174)                     | -1%        | \$ 306,033   | 10%        | \$ 507,898    | 15%        | \$ 397,232                         | 24%        | \$ 1,178,989       |
| Dartmouth                             | ES | \$ (138,053)                    | -2%        | \$ 747,240   | 10%        | \$ 1,234,216  | 15%        | \$ 951,568                         | 24%        | \$ 2,794,971       |
| Dedham**                              | ES | \$ (167,952)                    | -4%        | \$ 452,477   | 8%         | \$ 777,320    | 14%        | \$ 652,926                         | 23%        | \$ 1,714,771       |
| Dighton                               | NG | \$ 33,841                       | 2%         | \$ 78,808    | 5%         | \$ 235,722    | 14%        | \$ 142,827                         | 24%        | \$ 491,198         |
| Douglas                               | NG | \$ 82,076                       | 4%         | \$ 113,905   | 6%         | \$ 332,549    | 14%        | \$ 205,567                         | 24%        | \$ 734,097         |
| Dracut                                | NG | \$ 87,461                       | 1%         | \$ 362,669   | 6%         | \$ 1,063,159  | 14%        | \$ 630,806                         | 24%        | \$ 2,144,095       |
| Fairhaven                             | ES | \$ (37,869)                     | -1%        | \$ 317,125   | 10%        | \$ 494,292    | 15%        | \$ 387,912                         | 24%        | \$ 1,161,460       |
| Fall River                            | NG | \$ 181,358                      | 2%         | \$ 555,240   | 5%         | \$ 1,673,954  | 14%        | \$ 993,649                         | 24%        | \$ 3,404,201       |
| Freetown                              | ES | \$ (36,492)                     | -2%        | \$ 222,165   | 10%        | \$ 367,884    | 15%        | \$ 275,994                         | 24%        | \$ 829,551         |
| Marion                                | ES | \$ (19,018)                     | -1%        | \$ 171,374   | 10%        | \$ 284,904    | 15%        | \$ 221,803                         | 24%        | \$ 659,063         |
| Mattapoiset                           | ES | \$ (22,370)                     | -1%        | \$ 182,988   | 10%        | \$ 345,563    | 15%        | \$ 272,281                         | 24%        | \$ 778,462         |
| New Bedford                           | ES | \$ (199,755)                    | -2%        | \$ 1,276,618 | 10%        | \$ 2,055,022  | 15%        | \$ 1,619,326                       | 24%        | \$ 4,751,211       |
| Northbridge                           | NG | \$ 126,814                      | 4%         | \$ 161,396   | 6%         | \$ 465,036    | 14%        | \$ 267,481                         | 24%        | \$ 1,020,727       |
| Norton                                | NG | \$ 159,443                      | 4%         | \$ 246,545   | 6%         | \$ 722,073    | 14%        | \$ 438,608                         | 24%        | \$ 1,566,669       |
| Plainville                            | NG | \$ 33,546                       | 2%         | \$ 125,648   | 6%         | \$ 359,155    | 14%        | \$ 218,048                         | 24%        | \$ 736,397         |
| Rehoboth                              | NG | \$ 35,376                       | 1%         | \$ 184,113   | 6%         | \$ 526,051    | 14%        | \$ 308,831                         | 24%        | \$ 1,054,371       |
| Seekonk                               | NG | \$ 81,529                       | 3%         | \$ 169,764   | 5%         | \$ 508,192    | 14%        | \$ 303,123                         | 24%        | \$ 1,062,608       |
| Somerset                              | NG | \$ 7,138                        | 0%         | \$ 246,545   | 6%         | \$ 722,073    | 14%        | \$ 438,608                         | 24%        | \$ 1,414,364       |
| Swansea                               | NG | \$ 54,088                       | 2%         | \$ 169,603   | 5%         | \$ 507,956    | 14%        | \$ 303,004                         | 24%        | \$ 1,034,651       |
| Westford                              | NG | \$ 76,806                       | 1%         | \$ 338,077   | 6%         | \$ 950,408    | 14%        | \$ 583,826                         | 24%        | \$ 1,949,117       |
| Westport (NG)                         | NG | \$ 6,570                        | 1%         | \$ 81,026    | 6%         | \$ 234,309    | 14%        | \$ 139,981                         | 24%        | \$ 461,886         |
| Westport (ES)                         | ES | \$ (49,428)                     | -2%        | \$ 223,474   | 10%        | \$ 437,360    | 15%        | \$ 339,607                         | 24%        | \$ 951,013         |
| WESTPORT TOTALS                       |    | \$ (42,858)                     |            | \$ 304,500   |            | \$ 671,669    |            | \$ 479,588                         |            | \$ 1,412,899       |
| TOTALS                                |    | \$ 476,586                      |            | \$ 7,461,794 |            | \$ 16,672,921 |            | \$ 11,305,862                      |            | \$ 35,917,163      |
| * Dedham includes extra 5% MA Class I |    |                                 |            |              |            |               |            |                                    |            |                    |

**Remember:** There is no guarantee of savings under the aggregation program as compared to the utility Basic Service rate because the Basic Service electric supply charge changes every 6 months for residential and small business customers and every 3 months for large business customers

# Residential Savings Analysis for Currently Active Aggregations (Continued)\*

|            |    | 2017 (Launch July/August 2017) |            | 2018         |            | 2019 (Known rates June 30, 2019) |            |                    | Extra MA CLASS I<br>RECs |
|------------|----|--------------------------------|------------|--------------|------------|----------------------------------|------------|--------------------|--------------------------|
|            |    | Savings/Loss                   | Percentage | Savings/Loss | Percentage | Savings/Loss                     | Percentage | Total Loss/Savings |                          |
| Arlington  | ES | \$ 776                         | 0%         | \$ 1,013,373 | 11%        | \$ 1,057,875                     | 22%        | \$ 2,072,024       | 5%                       |
| Brookline  | ES | \$ (133,957)                   | -3%        | \$ 1,120,007 | 8%         | \$ 1,375,365                     | 9%         | \$ 2,361,415       | 25%                      |
| Somerville | ES | \$ 83,109                      | 2%         | \$ 1,518,976 | 13%        | \$ 1,464,463                     | 23%        | \$ 3,066,548       | 5%                       |
| Sudbury    | ES | \$ 1,756                       | 0%         | \$ 723,397   | 11%        | \$ 745,697                       | 22%        | \$ 1,471,391       | 5%                       |
| Winchester | ES | \$ (28,660)                    | -1%        | \$ 653,509   | 10%        | \$ 732,763                       | 20%        | \$ 1,357,612       | 5%                       |
| TOTALS     |    | \$ (76,976)                    |            | \$ 5,029,262 |            | \$ 5,376,163                     |            | \$ 10,328,990      |                          |

|          |    | 2017 (Launch July 2017) |            | 2018         |            | 2019 (Known rates through April 30, 2019) |            |                    |
|----------|----|-------------------------|------------|--------------|------------|---|------------|--------------------|
|          |    | Savings/Loss            | Percentage | Savings/Loss | Percentage | Savings/Loss                              | Percentage | Total Loss/Savings |
| Charlton | NG | \$ 120,098              | 10%        | \$ 466,362   | 15%        | \$ 228,526                                | 24%        | \$ 586,460         |
| Millbury | NG | \$ 112,352              | 10%        | \$ 422,044   | 13%        | \$ 213,931                                | 24%        | \$ 534,396         |
| Oxford   | NG | \$ 119,999              | 10%        | \$ 422,169   | 13%        | \$ 228,337                                | 24%        | \$ 542,168         |
| TOTALS   |    | \$ 352,449              |            | \$ 1,310,575 |            | \$ 670,794                                |            | \$ 1,663,024       |


\*Excludes the following communities that launched their programs within the last 5 months. However, all of these programs launched at a rate below basic service. Stoneham, Hamilton, Gloucester, Melrose, Avon, Rockland

**Remember:** There is no guarantee of savings under the aggregation program as compared to the utility basic Service Rate because Basic Service electric supply charge changes every 6 months for residential and small business customers and every 3 months for large business customers




# Awareness Building Mailers

Coming in Early 2017  
Brookline Green Electricity



Providing Greener Electricity  
to Residents and Businesses  
Using Brookline's Bulk  
Purchasing Power



**Brookline Green Electricity**  
[brooklinegreen.com](http://brooklinegreen.com)  
Town of Brookline | Community Choice Aggregation

To learn more call (800) 931-6221

**Town of Brookline**  
Community Choice Aggregation

The Town of Brookline is rolling out Brookline Green Electricity for residents and businesses in early 2017. This Community Choice Aggregation program uses bulk purchasing to offer competitive supply pricing and rate stability for consumers. Plus, it provides more renewable energy options to reduce our reliance on carbon-producing fossil-fuels.

**Benefits**

- Competitive pricing and rate stability
- A choice of renewable energy options
- Option to leave program without penalty

**Plan Options**

**Brookline Green** (automatic enrollment)  
Delivers up to 25% more renewable energy than what is required by the Commonwealth

Or, select one of these alternatives:


- **Brookline All Green:**  
Provides up to 100% renewable energy
- **Brookline Basic:**  
Includes the same amount of renewable energy as Eversource's basic service

Look for our notice in your mailbox in November.

**Features**

- Automatic enrollment with 30-day opt-out
- No contract to sign or installation required
- No change in Eversource services
- Receive a single bill from Eversource
- Contact Eversource for billing issues or outages
- Keep Budget Billing

*Pick up your free window cling at Town Hall!*



**For more information: (800) 931-6221**  
[info@brooklinegreen.com](mailto:info@brooklinegreen.com)



The screenshot shows the Town of Dedham, MA website. The header features a blue banner with the town's seal and name. Below the banner is a navigation bar with links: WELCOME, SELECT YOUR COMMUNITY, FAQ, OPT OUT, and CONTACT US. The main content area is titled "Dedham Electricity Program" and contains a paragraph about the program's launch in 2016. To the right, a sidebar displays the rate effective from January 2018 to January 2021 as 10.272 cents/kWh, along with pricing information.

**Town of Dedham, MA**

WELCOME SELECT YOUR COMMUNITY FAQ OPT OUT CONTACT US

## Dedham Electricity Program

In early 2016, the Town of Dedham joined 22 other communities to launch a community electricity aggregation (CEA) program designed to provide residents and businesses with competitive choice, long-term price stability, and reduced electricity rates. Also known as *municipal electricity aggregation*, the program relies on bulk-purchasing methods that generate economies of scale, resulting in reduced electricity supply costs for participating Eversource account holders.

The electric rate is fixed at 10.272 cents per kilowatt hour (kWh) from January 2018 to January 2021. This rate includes an additional 5% local renewable energy in the form of MA Class I RECs supplied by the [Mass Energy Consumer's Alliance](#). This

Select Language ▼

RATE EFFECTIVE JANUARY 2018 – JANUARY 2021, DEDHAM

**10.272 cents/kWh**

PRICING INFORMATION

This is the price for the Standard Product. It is the default price for all rate classes, including residential,

## Dedicated Website

<https://masscea.com/dedham/>



# Opt-Out Mailers



## City of Melrose Community Electricity Aggregation Program

September 4, 2019

Dear Basic Service Customer,

The City of Melrose approved a Community Electricity Aggregation program authorizing the city to aggregate the electricity load (usage) of residents and businesses that are on Basic Service with National Grid.

You will be **automatically enrolled** in the **Melrose Community Electricity Aggregation** program, unless you choose not to participate. Through this program, National Grid will continue to deliver your electricity, however the City will select its own supplier to increase the amount of renewable energy in your electricity.



### Competitive Choice

After a competitive bid process, **NextEra Energy Services** was selected as our Electricity Supplier with a contract starting in June 2019 and expiring in November 2021. The goals of the program are to provide you with competitive choice, longer-term price stability and more renewable energy options.



### Price Stability



### Renewable Energy

### PARTICIPATION

If you want to **participate**, no action is required! National Grid will continue to deliver your electricity, respond to emergencies and outages, and bill you, however, your supplier will be **NextEra Energy Services**.

- **Budget Plan or Eligible Low-Income** delivery rate consumers will continue to receive those benefits from National Grid
- **Solar Electricity Consumers** will not be impacted and will continue to receive their net metering credits while participating in the Program.

You can **leave the program anytime** after you've enrolled, with no early termination fees! This will occur during the next available billing cycle, where upon your account(s) will be returned to National Grid's Basic Service.

If you **don't want to participate**, simply sign and return the enclosed card in the postage-paid envelope on or before **October 10, 2019** to avoid automatic enrollment in the aggregation program.

If you are receiving electricity supply from a competitive supplier and believe you have received this opt-out letter in error, you must sign the attached card and opt out of this Program. This will ensure you continue to receive your electricity from that Competitive Supplier and prevent any possible early termination fees.

If you have already chosen a green power supply option on your own, you must opt out of this program. This will ensure you continue to receive your electricity from that Green Power Supply.

### PROGRAM OPTIONS & PRICING

1

#### Melrose Local Green – Five (5) Percent more Renewable Energy

You will be **automatically enrolled** in this product. It includes five (5) percent more local renewable energy originating from qualified Massachusetts Class 1 renewable energy sources than is required by state law.

2

#### Melrose Premium 100 – 100 Percent Local Renewable Energy

This **optional** product offers an elective one hundred (100) percent local renewable energy originating from qualified Massachusetts Class 1 renewable energy sources. Call NextEra Energy Services at (855) 639-8058 to opt in. The price of this offer is \$0.12801/kWh.

3

#### Melrose Basic – No additional Renewable Energy

This **optional** product offers no additional renewable energy originating from qualified Massachusetts Class 1 renewable energy resources beyond the amount required by state law. Call NextEra Energy Services at (855) 639-8058 to opt in. The price of this offer is \$0.10401/kWh.

| Rate Class                                 | Residential   | Small Business | Large Business         | Duration  |
|--|---------------|----------------|------------------------|---|
| <b>Melrose Local Green</b>                 | \$0.10521/kWh | \$0.10521/kWh  | \$0.10521/kWh          | <b>June 2019 – November 2021</b><br>Rates apply to service beginning and ending on the days of the month that your meter is read in your service area.      |
| <b>Melrose Premium 100</b>                 | \$0.12801/kWh | \$0.12801/kWh  | \$0.12801/kWh          |   |
| <b>Melrose Basic</b>                       | \$0.10401/kWh | \$0.10401/kWh  | \$0.10401/kWh          |   |
| <b>Current National Grid Basic Service</b> | \$0.10820/kWh | \$0.09668/kWh  | \$0.09182/kWh<br>*NEMA | <b>May 1, 2019 – October 31, 2019*</b><br>Residential and Small Business rates change every six months.<br>*Large Business rates change every three months. |

[No Title]

Rates indicated above are for **Supply Services only**. Administrative adder for all Melrose programs are included in above rates. This fee is \$0.001/kWh for the aggregation consultant.

The primary intent of the program is to provide price stability and savings over the duration of the 29-month term. However, National Grid's rates for electric supply change every six months for Residential and Small Business customers and every three months for Large Business customers. Thus, National Grid's Basic Service rates may be below the Standard Product program rate for Residential customers during any subsequent period.

### FOR MORE INFORMATION

- Visit [www.Melrose-CEA.com](http://www.Melrose-CEA.com), or call toll-free at (888) 228-8238
  - Contact **NextEra Energy Services** at (855) 639-8058 between 9AM – 5PM, or at [melgovagg@nexteraenergyservices.com](mailto:melgovagg@nexteraenergyservices.com)
  - For **National Grid's electricity rates**, visit: <https://www.mass.gov/information-for-consumers-about-the-electric-industry> <https://www.nationalgridus.com/MA-Home/> or call (800) 322-3223.
- Please refer to the Basic Service category to determine the best option for you.

John Smith  
Board of Alderman/Mayor

# Social Media Campaigns and Resources

